



**MINUTES OF THE REGULAR MEETING OF THE LAKE LURE TOWN COUNCIL
HELD TUESDAY, JUNE 8, 2021, 5:00 P.M. AT THE LAKE LURE MUNICIPAL CENTER**

PRESENT: Mayor Carol C. Pritchett
Commissioner Patrick Bryant
Commissioner David DiOrio
Commissioner John Kilby
Commissioner John W. Moore

William Morgan, Jr., Town Attorney
Shannon Baldwin, Town Manager

ABSENT: N/A

I. CALL TO ORDER

Mayor Carol C. Pritchett called the meeting to order at 5:05 p.m. and gave the invocation. Council members led the pledge of allegiance.

II. APPROVE THE AGENDA

Commissioner John Moore proposed adding an item to the "Consent Agenda" to consider adoption of Ordinance No. 21-06-08, Amending Chapter 71 of the Code of Ordinances. Commissioner DiOrio proposed moving up "New Business" items A and C, "Update on Sewer System SOC and Sewer Replacement Project ER/EID," and "Dam Rehabilitation/Replacement Update" in order to accommodate the guests who traveled to speak on these matters. Commissioner Bryant proposed adding a Closed Session in regards to personnel matters as the last item on the agenda.

Commissioner David DiOrio made a motion to approve the Agenda as amended. Commissioner John Kilby seconded and the motion carried 4-0.

III. MAYOR'S COMMUNICATIONS

Mayor Carol Pritchett welcome everyone who attended the meeting.

IX. NEW BUSINESS:

**A. UPDATE ON SEWER SYSTEM SOC AND SEWER REPLACEMENT PROJECT
ER/EID**

Town Engineer Kurt Wright, with SDG Engineering, explained that the type of sewer system in Lake Lure, where it lies below the lake surface and the main truck line runs underneath the Dam to a pump station, is unlike any system he has ever known. He pointed out that several have researched this system online and cannot identify another system identical to this one with all lines completely beneath the Lake. Therefore, the solution to this problem is unique; it is one-of-a-kind, which contributes to the challenges in solving this problem. However, he stated that he believes we have arrived at the best possible solution, presented in the Engineering Report and Environmental Information Document (ER & EID) that has been submitted to the NC Division of Water Infrastructure who have approved all technical components of this proposed solution. He stated they are now working through a few environmental questions which should be resolved within weeks. They are approaching the end of the review process for the ER & EID. Once this is done and they have environmental clearance, the engineers can move into the design stage. They plan to initiate the first items in this multistage, multiyear, construction project this winter, which is the rehabilitation of the manholes. Mr. Wright explained that there has been a great deal of cooperation among the state regulators, the engineers, the town staff and elected officials regarding the proposed solution to replacing the 100-year-old sewer system. In his 42 year career in water and wastewater engineering, he has never seen this level of cooperation before. It is ideal and well suited to finally implement the long-awaited solution for the 100-year-old sewer system.

Mr. Wright introduced NC DEQ representatives Landon Davidson, Regional Supervisor with the Water Resources – Water Quality Regional Operations Section of NC DEQ, Tim Heim, Engineer with Water Resources – Water Quality Regional Operations Section of NC DEQ, and Maurice “Reese” Walsh, Senior Project Manager for LaBella Associates, who authored the Engineering Report.

Mr. Walsh stated provided an update on the Subaqueous Sewer System (SASS) replacement and Wastewater Treatment Plant (WWTP) rehabilitation project noting that they are currently waiting on final comments from the US Fish and Wildlife Service. A public hearing with the State will then be held. Following it will be an official approved ER/EID and they can then move forward with design. He mentioned that they are anticipating another draft of the Special Order by Consent (SOC) which will be reviewed. The recommended alternatives for the gravity sewer system is a gravity lift system which runs around the entire perimeter of the Lake completely independent of the system under the Lake. It will serve every lot around the Lake.

Mr. Heim expressed that there is no higher priority than Lake Lure’s wastewater infrastructure. The correct technical approach will stop fines and risks to homes and businesses will cease. He stated that all options have been reviewed and the solution has undergone vigorous review.

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Mr. Davidson mentioned that this is one of their most important projects and is a legacy project. He conveyed the seriousness of non-compliance and urgency of the matter and the need to find funds. He noted that the Town will continue to assess penalties until a solution is in place and non-compliance ceases. He stated that Lake Lure is poised for success and he wanted to recognize that and recognize the progress being made. He expressed that Lake Lure has a unique challenge and this issue is unprecedented in the engineering complexity, funding, scale and timeframe. The Town's existence depends on correcting these issues now. A catastrophic failure would have very serious impacts. He explained that the Greenline Project was one attempt the Town made to try and fix the problems but never addressed the sewer lines under the Lake. He mentioned that it was understood that many ideas would come around along the way because of Lake Lure's unique nature and large size. He noted that he has never saw full acknowledgement or awareness of the Town's issues with the collection system and Treatment Plant until 2018. The result is a nearly approved Engineering Report, addressing funding needs, drafting of an SOC agreement, new consultant engineers that grasp the complexity of the problem, an emergency plan, main line valve on gravity sewer system, and more. He stated that Lake Lure has already shown success, noting that this is going to be a long, expensive journey but will take the Town to a sustainable future. He encouraged the Town to stay the course to ensure the future of Lake Lure. Mr. Baldwin agreed that the Town must stay the course and explained that if a line were to break or some sort of failure were to occur to one of the sewer lines and the EPA were to issue a no-flush order, it would create a very serious event. At that point control would be taken away from the Town. Mr. Baldwin, Mayor Pritchett and Council thanked the guests for attending and allowed members of the public to ask questions.

Moe Bay questioned the design. Mr. Walsh stated that Lake Lure has a unique and unconventional problem and part of the issue with the solution was trying to use conventional means. He explained that the solution is as unique as the problem. He stated that he and his staff have spent countless hours vetting this solution with regulatory and other engineers. The process they've put forward specifically addresses the problem. Previous attempted solutions attempted to address the symptom and not the cause, which is the sewer collection system. Today we have an aging, leaking, non-compliant system that goes to an aging, non-compliant treatment plant that cannot meet the conditions set forth by the State. A new system is needed that is assessable around the entire perimeter of the Lake, allows the ability to run cameras down manholes, will allow the Lake to be lowered if needed, and will go to a state-of-the-art treatment plant for a safe and effective discharge. One of the challenges at the Treatment Plant now is the amount of iron at the going into it and they needed to find where the iron was coming from. His hypothesis was tested and the water coming out of the pipe had over 70 times the amount of iron that was in the Lake because the pipes were deteriorating under the Lake. A camera cannot be ran down into the pipes in the system now because of its age. The location of the lines are not even known. The emergency response plan if there was a breach in the line would be to discharge sewage directly into the Broad River and the Lake would have to be lowered, but can only be lowered currently down to 12 feet. If the leak was below that 12 foot level, the Town would have to put divers in the Lake. There is 14 miles of pipe covered in silt and sediment in the Lake and the locations of all of those pipes are not known. Because the Town would have to use the valve to shut off flow, a no-flush order would be ordered and anyone on that system would not be able to use their bathrooms while the divers

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attempted to find the leak. He explained that there is a sense of urgency because the condition of the pipe in the Lake is unknown.

A member of the public asked about the no-flush order and what exactly it means and questioned if there was a way to put in a sewer system above ground and not in the Lake. Mr. Walsh explained that this type of system above ground is called a low-pressure system, which was looked into. He stated that this was an engineering problem because this solution was very expensive but also Lake Lure would make it very difficult to install because of the steep terrain and the close proximity of some of the homes. In some cases it may be impossible to install. One of the earliest approaches they had was putting a system around the Lake. He saw numerous problems and long-term maintenance costs. He stated this type of system would be substantially more expensive, would take a much longer time and have a much greater social and environmental impact. The social impact would be more significant than the months having the Lake down. He mentioned that the old system could still be operational while the new system is being installed. The risk of the no-flush order does not apply to this new system. If there were a breach, everyone on the new system will be unaffected because the two systems are completely independent of each other. The pump station can be eliminated. At the end of Phase 5, they can completely abandon and plug the old system. Part of the problem is that manholes were not placed in the best locations. Many people have undeveloped lots because they cannot get to sewer. This will not be the case with the new system as the laterals will go right by everyone's properties and they won't need to go under the Lake for property owners running lines to the manholes. All the lines under the Lake will be the Town's and all lines above will belong to property owners. The Utility Advisory Board recommends that all property owners be required to tie into the new system.

A member of the public commented that property owners are dumping raw sewage into the Lake if their lines break. Mr. Walsh stated that is correct. However, the new system will eliminate that problem because laterals from the home will be trenched in under the ground and the connection to the public system will be under the ground. A homeowner ties into the new system above the Lake. If there is a break in the lateral, it's above ground and visible.

A member of the public asked about maintenance costs after the five year construction fee for the system that's left under the water. Mr. Walsh mentioned that the way they look at costs is not just capital costs but also lifecycle costs. This new system has the lowest capital and lifecycle cost of any of the alternatives. They're using high density polyethylene pipes that are not subject to deterioration like cast iron pipes are. The maintenance process is very typical of what you do with a land based system with the exception that Public Works will be doing this from boat instead of by land.

A member of the public asked if a no-flush order would only affect homes that are on the Lake. Mr. Walsh stated that it would affect anyone who currently ties into a land based system that makes its way into the Lake or anyone that can potentially tie into it. It won't affect someone on a septic tank or some other means that cannot connect. No-flush will refer to existing gravity customers.

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A member of the public asked if installation of the new pipes and construction of a new treatment plant could be done simultaneously. Mr. Walsh explained that initially he wanted to move up the treatment plant in the phases but the issue was putting in a pump station pumping to a new location instead of working from the existing. He has to be able to predict the composition of wastewater with a degree of accuracy and needs a consistent wastewater stream. He stated that he cannot do that with the old system online. The preferred way to treat wastewater is through a biological process. In 1991 the Plant was converted to a physical chemical process. The current process will not treat ammonia, which is a contaminant to streams, and is inadequate for treatment.

A member of the public asked about a no-flush order. Mr. Walsh stated that he doesn't know the particulars but it would emphasize black waste, which will have the potential to make its way into the Lake.

Doug Kelly asked about the capacity of the system in the future. Mr. Walsh stated that the system will be designed to allow for future growth, which is a requirement of the State. They've only done preliminary design but are working with the State on a lot of the regulations and are using peaking factors that are higher than typically used.

Moe Bay asked if the pipes coming out of the Lake would be visible. Mr. Walsh stated that the lines would be underground but there will be a cleanout about five feet up from a house and from the roadway. The lines coming out of the Lake will be underground.

A member of the public asked about the current sewer manholes. Mr. Walsh noted that the existing concrete manholes will be removed in Phase II. Phase 1 will begin this winter and will include installation of a sewer access valve, beginning manhole rehabilitation, and making improvements needed at the WWTP that will get the Town through the next 10-15 year period.

A member of the public asked about the sewer access valve installation. Mr. Walsh responded that it takes about a year to bring online but is being designed now. It can be installed regardless of lake levels.

A member of the public asked about trenching from the water level to connect and if property owners are responsible for trenching up. Mr. Walsh noted that property owners will be responsible for trenching down, not up.

Mark Helms asked about risk of failure and if the risk to the old system would decrease as more people hook up to the new system and off of the old system. Mr. Walsh stated that risks would not decrease. Kurt Wright explained that there is no pipe condition assessment tool that can determine the thickness of the 14 miles of pipe in the Lake. The iron is leeching out and being released which means rapid decay. He noted that there is a sense of urgency because the condition of the pipe is unknown. Mr. Walsh added that we don't ever want to wonder how to address an emergency if there is one. They have conducted experiments and spoken with Public Works Director David Arrowood and divers in order to develop a plan on the specifics of what to do if there was a leak, etc. They do have a plan if a pipe failure occurs to address that failure. The State

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has reviewed the plan and approved it. Mr. Baldwin stated that part of the plan is using a valve to squeeze off the sewer slowly to find a leak to shut it down. DEQ had been asking the Town for 10+ years just to put the valve in. Mr. Arrowood came along and brought in Kurt Wright and brought it to the Town Manager's attention that it was needed. The right approach was started. This has been a game changer with new leadership and engineers to stay on top of things day-to-day. This was part of the Emergency Response Plan.

Doug Kelly asked what effect lowering the Lake down 12 feet would have on and around boathouses. Mr. Walsh explained that the new system will be designed within that 12 feet but there will be boathouses that have to be worked around. He had a senior structural engineer take photos and a survey of the Lake and photos taken with the Lake down 12 feet so they know where those boathouses are when going down 12 feet for design. There may be boathouses they have to modify. He noted the UAB is discussing if agreements are needed. Their desire is to minimize interactions with boathouses and can on a case-by-case basis. Mr. Walsh stated they will lay a concrete mat over this line to protect it.

A member of the public asked how long the Lake will go down this year. Commissioner DiOrio reported that the Lake will start coming down on November 1st and start to come back up March 31st of next year. The Lake will be down 5+ months in order to do everything that is needed to be done. He stated that they recognize the need to protect the peak season so that people can still use the Lake and not have that taken away from them. However, he explained that we don't want to jeopardize the progress that is needed to be made. The amount of time needed each year for the Lake to be lowered may differ based on what is needed to be done.

A member of the public questioned if the Lake would be going down 12 feet this year and 20 feet in subsequent years. Commissioner Kilby stated that is correct. Mayor Pritchett announced that Council will produce a lake drawdown schedule to present to the public each year so that people can make plans. There will be six phases for installation of the new sewer system which will stretch over 10-12 years.

Doug Kelly expressed his support but also expressed that Lake Lure is a tourist community and did not want the economy to crash. He suggested reaching out to vacation rentals in order to get the word out to them. Mayor Pritchett agreed that Council wants to communicate this to the public in a way that will not cause people to panic. She stated that the Town's Communications Specialist will make sure to get the messages out to the public. Mr. Walsh added that there is a public hearing requirement for this ER/EID in the future and they'll make every effort to communicate this to the public to allow them the opportunity to come out and ask questions. Commissioner Bryant also pointed out that there are round table meetings scheduled for the community to come out and ask questions. Mr. Baldwin noted that he plans to ask DEQ to come back sometime in July or August to speak about the Dam.

A member of the public asked if the Lake would go down every year for the next 10 years. Mr. Walsh explained that they will learn a lot from Phase I and want to maximize contractor

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productivity and have material purchased and staged in areas for contractors. He noted that it is unknown right now if the Lake will go down every year for the next 10 years.

A member of the public asked if the Lake will be down for five months at a time each time it is lowered. Mayor Pritchett stated that it could be different every year depending on where we are in that process and we won't know until that year. However, it will be forecasted in the lake drawdown schedule which will be created as soon as information is known each year. Commissioner Kilby asked that the public help spread the word from the facts heard from DEQ.

Ashley Jackson commented that she moved here two years ago and just learned about these issues. She stated she's nervous to tell others about what she's heard today because she's nervous and is in fear of her property values going down. She's concerned that telling other people may create panic. Mayor Pritchett explained that the Town has a plan in place and if nothing is done, property values will go down. The plan in place now will protect property values in the future.

Tim Heim commented that 10-15 years ago NC DEQ was panicked because they felt that no one understood the seriousness of what is going on. He stated that now they are not panicked because there is a plan in place and that property owners should not feel panicked either. Mr. Walsh reiterated that they will be starting at the Dam and working around to start taking people off of the current system which will remove those risks by being on the new system.

A member of the public asked if the talking points could be placed on the website and Mayor Pritchett stated yes. The information discussed during the meeting will be included on the Town's website in order to ensure that any information disseminated to the public is correct.

A member of the public questioned how the Town will counter erosion from heavy rains. Mayor Pritchett explained that all of these issues will be kept in mind and will be addressed. Mr. Walsh noted that there are 42 streams that come into the Lake.

Mark Helms stated that in his 24 years of being a resident, he's saw water go over the Dam and over docks and boathouses. He's saw the Lake go down 3-4 feet in a day with no answers as to why. He took a tour of the Dam powerhouse which is now very organized. He commented that Town Council has taken charge and there are no more complaints about lake levels. He's seen the Town become more organized and focused compared to the past. He felt that everyone is now on board with town staff and Council.

IX. NEW BUSINESS:

B. DAM REHABILITATION/REPLACEMENT UPDATE

Commissioner DiOrio provided an update on the Dam Rehabilitation/Replacement project. He reported that a plan is now in place and provided a recap. He stated that Council recently made the decision to replace the Dam instead of rehabilitating the Dam. Rehabilitation of a 100 year old

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dam would take about \$70 million and would require the Lake to be drained in order to resurface and reface. Council reviewed the economic impact and decided on a new dam concept with Schnabel Engineering. The cost of a new dam will be \$70 million and would not require the Lake to be drained. The new dam will be constructed downstream of the existing dam. He explained that the Town is reaching out to the state and federal government to try and get money to help fund the new Dam. The Town's current budget cycle has dedicated funds just for the Dam. There was and .11 cent increase in property taxes and .19 cent to the dollar is set aside just for the Dam. He noted that legislatures are in agreement that Lake Lure is a priority, which has never been done before. Now they know and we have an engineering firm who has done an assessment and is ready to go into design and then into construction. The Town is shovel-ready if money starts to come our way. The County Commissioners provided letters of support to our NC legislatures who are all on board. Economic impact is one reason the Town may be allocated money but a new dam would also help with flood control issues. The Town is currently working with NC Dam Safety and the Department of Environmental Quality. The sewer access valve allows the Lake to be lowered down 20 feet and also doubles as a safety valve in case of an emergency with the Dam. Installation of a new dam can occur at full pond. He also pointed out that the Town has been working with the Federal Emergency Management Agency (FEMA) to get smaller grants. The Town was awarded \$120k for the sewer access valve/reservoir drain and we have another application in for \$58k for design process. Commissioner DiOrio provided an outline of the 10 year timeline for the new Dam. A field survey will occur first to determine the best location for the gravity dam, which will go downstream of the existing dam. It is unknown at this time whether or not a bridge will go over the Dam. There is an option to take the bridge off the Dam and put it downstream near Island Creek Road. Design will take 2-3 years and then the Town must get the necessary permits, which will take a few years. 3-4 years is needed for construction. He mentioned that a good flow of water over the old dam will be needed for the new dam to function. He noted that the upper function of the Dam will probably be removed and the bottom portion under the water will remain.

Mark Helms asked about generating power. Commission DiOrio explained that this is difficult because we are a micro hydroelectric plant which does not exist anymore. A new one under a dam would be under federal regulation and would be taken out of the Town's hands. He mentioned that it could be done if there was an advantage to have that hydroelectric capability with green energy. However, if there is no advantage then we would not want to take the lake level control out of the Town's hands and give to Duke Energy. Maintaining lake level standards is the most important priority. Flood control gives a level of safety downstream and a number of federal agencies would want to invest in that. This would only be exercised in an emergency for flood control. He pointed out that hydroelectric companies are in the business to make money and will want to draw down the Lake at their discretion. The Council is committed to not giving up control of managing lake levels if at all possible. Mr. Wright noted we can build a penstock on there to generate power but we don't have to exercise that option.

IV. TOWN MANAGER COMMUNICATIONS

Town Manager Shannon Baldwin announced that the Town has hired The Policy Group as a lobbyist for the Town to help communicate and keep Lake Lure on the radar at the state and federal level for any future money that may become available. Mr. Baldwin provided an update on Town departments. He reported that the Assistant Community Development Director, Mitchell Anderson, recently accepted a job with the State and Mike Williams was promoted into his position. The Town will be backfilling Mr. Williams' previous position and that person will start July 1st. Mr. Baldwin provided an update on the Dam, Hydro and WWTP. He reported that Dean Lindsey was a strategic hire with power generation as his background. He helped to turn things around at the Hydro Plant and got it organized. Mr. Lindsey is expanding to take over operations of the WWTP saving the Town over \$100k a year. Mr. Baldwin provided an update on operations at the Police Department noting that the Department has been undergoing training with Mr. Givens and getting refresher courses on the Town's ordinances relative to lake use.

Mr. Baldwin reported that Mr. Givens had an appraisal formed for the Golf Course. The Town is currently losing approximately \$100k a year on the Golf Course. An early termination agreement was sent to Council for review by the Town Attorney. The current concessionaire at the Golf Course has indicated that he would like to wait until this golf season is over before an early termination of the current agreement occurs. Mr. Baldwin provided an update on the Finance Department. He reported that Steve Ford has been hired as an assistant to the Finance Director and will take over as the Finance Director when Sam Karr retires.

V. COUNCIL LIAISON REPORTS & COMMENTS

Commissioner DiOrio reported the activities of the Utilities Advisory Board.

Commissioner John Kilby reported the activities of the ABC Board and the Lake Advisory Board.

Commissioner John Moore reported the activities of the Zoning and Planning Board.

Commissioner Patrick Bryant reported the activities of the Parks and Recreation Board, the Board of Adjustment, and the Lake Structure Appeals Board.

VI. PUBLIC COMMENT

Mayor Carol C. Pritchett invited the audience to speak and no one requested to speak at this time.

VII. CONSENT AGENDA

Mayor Carol C. Pritchett presented the Consent Agenda and asked if any other items should be removed before calling for action.

Commissioner David DiOrio made a motion to approve the Consent Agenda as amended at the beginning of the meeting. Commissioner John Moore seconded. Therefore, the Consent Agenda incorporating the following items was unanimously approved and adopted:

- A. Adoption of the April 13, 2021 Regular Meeting Minutes, the May 11, 2021 Reconvened Meeting Minutes, the May 11, 2021 Regular Meeting Minutes, the May 13, 2021 Special Meeting Minutes, and the May 26, 2021 Special Meeting Minutes
- B. Consider adoption of Ordinance No. 21-06-08 Amending Chapter 71 Parking Violations Enforcement

ORDINANCE NUMBER 21-06-08

**AN ORDINANCE AMENDING CHAPTER 71 PARKING VIOLATIONS
ENFORCEMENT**

WHEREAS, Chapter 71 of the Town of Lake Lure Code of Ordinances, adopted July 9, 1974, regulates parking violations and enforcement; and,

WHEREAS, the Lake Lure Town Council has determined that Section 71.06 should be amended to further clarify where parking shall occur; and,

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE, NORTH CAROLINA, MEETING IN REGULAR SESSION AND WITH A MAJORITY OF THE COUNCIL MEMBERS VOTING IN THE AFFIRMATIVE:

SECTION ONE. Amend Section 71.06, Parking within lines where provided, as follows:

§ 71.06 **PARKING WITHIN LINES WHERE PROVIDED.**

On any street ~~or town owned public vehicular area~~ which is marked with lines indicating the parking space for vehicles, all vehicles shall be parked within said lines as indicated.

SECTION TWO. This Ordinance and the rules, regulations, provisions, requirements, orders and matters established and adopted hereby shall take effect and be in full force and effect immediately from after the date of its final passage and adoption.

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READ, APPROVED, AND ADOPTED, this the 8th day of June, 2021.

VIII. UNFINISHED BUSINESS:

There was no unfinished business to discuss.

IX. NEW BUSINESS

C. UAB MEMBER APPOINTMENT

Commissioner David DiOrio made a motion to appoint Rick Spruill as a regular member on the Utility Advisory Board to fill an unexpired term ending on December 31, 2021. Commissioner Patrick Bryant seconded and the motion carried 4-0.

X. CLOSED SESSION

Commissioner Bryant made a motion to go into Closed Session in accordance with G.S. 143-318.11(a)(6) for the purpose of discussing personnel matters. Commissioner David DiOrio seconded and the motion carried 4-0.

During closed session, Council discussed a personnel matter.

Commissioner DiOrio made a motion to return to open session. Commissioner Bryant seconded and the motion carried 4-0.

XI. ADJOURN THE MEETING

With no further business, Commissioner David DiOrio made a motion to adjourn the meeting at 8:32 p.m. Commissioner John Moore seconded and the motion carried 4-0.

ATTEST:

Michelle Jolley,
Town Clerk

Mayor Carol C. Pritchett